

Senate Study Bill 3076

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE BILL BY
CO=CHAIRPERSONS BEHN
AND WARNSTADT)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to coverage of losses caused by terrorism in fire
2 insurance policies and providing effective and applicability
3 dates.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 5082SC 81
6 av/je/5

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1 1 Section 1. Section 515.138, subsection 6, unnumbered
1 2 paragraph 10, Code Supplement 2005, is amended to read as
1 3 follows:
1 4 PERILS NOT INCLUDED. This company shall not be liable for
1 5 loss by fire or other perils insured against in this policy
1 6 caused, directly or indirectly, by: (a) Enemy attack by armed
1 7 forces, including action taken by military, naval or air
1 8 forces in resisting an actual or an immediately impending
1 9 enemy attack; (b) invasion; (c) insurrection; (d) rebellion;
1 10 (e) revolution; (f) civil war; (g) usurped power; (h) order of
1 11 any civil authority except acts of destruction at the time of
1 12 and for the purpose of preventing the spread of fire, provided
1 13 that such fire did not originate from any of the perils
1 14 excluded by this policy; (i) neglect of an insured to use all
1 15 reasonable means to save and preserve the property at and
1 16 after a loss, or when the property is endangered by fire in
1 17 neighboring premises; (j) nor shall this company be liable for
1 18 loss by theft.
1 19 This company shall not be liable for loss or damage by fire
1 20 or other perils insured against in a commercial policy caused,
1 21 directly or indirectly, by acts of terrorism, unless an
1 22 endorsement specifically assuming coverage for loss or damage
1 23 caused by terrorism is attached to the policy.
1 24 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
1 25 immediate importance, takes effect upon enactment.
1 26 Sec. 3. APPLICABILITY. This Act is applicable to
1 27 commercial fire insurance contracts issued pursuant to chapter
1 28 515 which are delivered, amended, or renewed on or after the
1 29 effective date of the Act.

1 30 EXPLANATION

1 31
1 32 This bill provides that a commercial fire insurance
1 33 contract does not include coverage for loss or damage by fire
1 34 or other perils insured against in the policy caused, directly
1 35 or indirectly, by acts of terrorism, unless an endorsement
2 1 specifically assuming coverage for such loss or damage is
2 2 attached to the policy.
2 3 The bill is effective upon enactment. The bill is
2 4 applicable to commercial fire insurance contracts issued
2 5 pursuant to Code chapter 515 which are delivered, amended, or
2 6 renewed on or after the date the bill is enacted.
2 7 LSB 5082SC 81
2 8 av:rj/je/5